

For an Act Entitled: An Act to provide salary enhancement for South Dakota teachers

Be It Enacted by the Legislature of the State of South Dakota:

Section 1: There is hereby created the Teacher Salary Enhancement Fund (TSEF) within the Department of Education to provide funds to school districts for the purpose of assisting districts with teacher compensation. School districts are eligible to receive funds from the TSEF based on actual FTE's or partial FTE's of teacher in their district. The Department shall provide funds appropriated in section 7 of this Act, from the TSEF to each eligible school district. TSEF funds may only be given to current certified instructional teachers. No funds may be distributed for purposes of administration, coaching, or other non-instructional assignments.

Section 2: Any district which on September 26, 2014, had a reserve fund of forty percent or less of its general fund balance is eligible for funding each year through the TSEF program provided the district's reserve fund balance does not exceed forty percent of the general fund balance.

Any district which had a reserve fund balance on June 30, 2015, greater than forty percent of its general fund balance, is eligible for funding each year through the TSEF program if the district reduces its reserve fund balance to forty percent or less of the general fund balance on or before June 30, 2019. The district is eligible if, between July 1, 2015, and June 30, 2019, the district reduces the reserve fund balance to forty percent or less of the general fund balance by determining the amount in excess of forty percent of the general fund balance on June 30, 2014, and reduces that amount by at least twenty-five percent each fiscal year until the reserve fund balance on June 30, 2019, is forty percent or less of the general fund balance.

Section 3: If a district does not have a minimum salary of \$32,000-\$34,000 for full-time instructional staff during the 2015-2016 school year, the district is eligible for additional yearly funding through the TSEF program if the district makes satisfactory progress toward a minimum teacher salary in the 2017-2018 school year. Satisfactory progress is shown by the district increasing between the 2015-2016 and 2017-2018 school years the district's minimum salary to \$32,000-\$34,000. Any district which has a minimum salary in 2015-2016 of at least \$32,000-\$34,000 is eligible for additional yearly funding through the TSEF.

Districts must agree to increase their minimum base salary by three percent each year for three years beginning in 2015-2016.

Section 4: Beginning in the school year 2015-2016 any district will be eligible for funding through the TSEF program if the district agrees to allocate fifty percent of the amount of their Per-Student Allocation (PSA) pursuant 13-13-10.1, over two percent toward teacher salaries. If the annual PSA does not exceed two percent no allocation is required.

Section 5: Amend SDCL 3-18-2.1. Notwithstanding any other provision of law to the contrary, a school board of a school district may offer and, upon the signing of the contract by both parties, pay a signing

bonus, moving expense, college loan payment or other market-based means necessary to an individual who:

- a) is certified or eligible to become certified to teach by the South Dakota Department of Education; and
- b) has signed a contract of employment to serve as a teacher in the district.

A signing bonus, moving expense, college loan payment, or other market-based means paid under this section; and is in addition to any amount payable under a negotiated teachers' contract; and may not be negotiated with the teachers' recognized bargaining representative.

Notwithstanding any other provision of law to the contrary, in an effort to retain a currently employed teacher after the current employee has been offered a teaching position in another school district in this state or any other state, a school district may offer the currently employed teacher salary equal to that offered by another school district and without being required to negotiate collectively with the employee designated representative with respect to the salary offered. If accepted by the current teacher, any future salary increases will be the same amount of increase received by other teachers.

Section 6: The Teacher Salary Enhancement Fund will be a yearly appropriation by the legislature separate from state aid funding pursuant to 13-13-10.1.

Section 7: Funds to TSEF will be appropriated from the following sources:

1. For the school year beginning in 2015-16 the State shall appropriate general funds necessary for each full-time certified teacher or partial FTE, the sum equal to X amount of dollars for each currently employed certified teacher FTE annually.
2. For the school year beginning 2016-17 the State shall appropriate general funds necessary for each full-time certified teacher or partial FTE, the sum equal to X amount of dollars for each currently employed certified teacher FTE annually.
3. Amend 10-45-2 to provide a sales tax increase. Revenue from this sales tax would be deposited in the TSEF fund.

Section 8: The State Board of Education may promulgate rules pursuant to 1-26 to provide for the implementation of this Act and the distribution of TSEF funds.

Section 9: There is hereby appropriated the sum of \$250,000 annually to the Department of Education for the purpose of promoting teaching and to attract prospective new teachers to the teaching profession. (2 FTE)